

Regular Session, May 2, 2011, 9:30 a.m.  
Catawba County Board of Commissioners

**Appointments**

Economic Development Corporation	82	05/02/11
Alcohol Beverage Control Board	82	05/02/11

**Awards**

NCACC 2010 Outstanding County Program Award – Arm Yourself Against the Flu	81	05/02/11
2010 Distinguished Budget Presentation Award	81	05/02/11
Employees recognized by Colleagues and Associations	82	05/02/11

**Catawba Valley Behavioral Healthcare (CVBH)**

Amending Lease for Social Services Supervised Visitation	82	05/02/11
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**Economic Development Corporation**

Incentives for Turbocoating Corp, USA	84	05/02/11
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**Emergency Services**

Pyrotechnics Permit – Rock Barn Golf & Spa	83	05/02/11
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**Greater Hickory Classic**

Waiving Building Permit Fees	84	05/02/11
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**Ordinance**

Bunker Hill/Oxford Schools NC Clean Water Bond Grant Waste Water Project Capital Project Ordinance – Amendment to Capital Project Ordinance No. 2002-08	92	05/02/11
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**Proclamations**

Emergency Medical Services Week	81	05/02/11
Public Service Recognition Week	81	05/02/11

**Public Comments for Items Not on the Agenda**

Norman Allen – in opposition to loss of jobs at Hickory Mail Processing and Distribution Center	80	05/02/11
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**Pyrotechnics Permits**

Rock Barn Golf and Spa	83	05/02/11
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**Resolutions**

In Opposition to Loss of Jobs at Hickory Mail Processing and Distribution Center	80	05/02/11
Authorizing Economic Development Incentives for Turbocoating Corp., USA	84	05/02/11
To Receive Alternate Bids for Fairbanks-Morse Brand Pumps	92	05/02/11

**Social Services**

Amending CVBH lease for space for Social Services Supervised Visitation	82	05/02/11
Children's Agenda	91	05/02/11

**Utilities and Engineering**

Waiving Building Permit Fees for Greater Hickory Classic	84	05/02/11
Bunker Hill/Oxford/River Bend Sewer Project	92	05/02/11
Jim Beard Road-Robinette Road-Mockingbird Lane Water Project (Cardinal Estates)	97	05/02/11
Awarding Bid for Crop Processing Facility at Biodiesel Research Facility	102	05/02/11

The Catawba County Board of Commissioners met in regular session on Monday, May 2, 2011 at 9:30 a.m. in the Robert E. Hibbitts Meeting Room of the 1924 Courthouse, 30 North College Avenue, Newton, North Carolina. This meeting followed a light breakfast reception at 8:30 a.m. in the Closed Session Meeting Room of the 1924 Courthouse where the Board of Commissioners met with County employees recognized by their state associations.

Present were Chair Katherine W. Barnes, Vice-Chair Lynn M. Lail and Commissioners Dan Hunsucker and Randy Isenhower.

Commissioner Barbara G. Beatty was absent.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Lee Worsley, Assistant County Manager Dewey Harris, County Attorney Debra Bechtel, Deputy County Attorney Anne Marie Pease and County Clerk Barbara Morris.

1. Chair Katherine W. Barnes called the meeting to order at 9:30 a.m., noting it had been a week of highs and lows with the tornados that had caused so much devastation in NC, the publicity of the Royal wedding and the death of Osama Bin Laden.
2. Commissioner Randy Isenhower led the Pledge of Allegiance to the Flag.
3. Commissioner Dan Hunsucker offered the invocation.
4. Vice Chair Lynn Lail made a motion to approve the minutes of the Regular Meeting of April 18, 2011. The motion carried unanimously.
5. Recognition of Special Guests: Chair Barnes welcomed all present and specifically recognized North Carolina Association of County Commissioners (NCACC) Outreach Associate David Nicholson.
6. Public Comments for Items Not on the Agenda:  
Mr. Norman Allen, representing postal workers at the Hickory Distribution Center of the U.S Postal Service, came forward to request the Board adopt a resolution in opposition to the loss of jobs at the Hickory Mail Processing and Distribution Center, which would result from the proposed consolidating of operations to the Greensboro Processing and Distribution Center. It was noted that the Board had adopted a similar resolution in 2009 in opposition to this consolidation. Chair Barnes asked how many people would be affected – Mr. Allen indicated that there were 183 employees currently in the Hickory facility. Commissioner Hunsucker asked how the consolidation would affect these employees and Mr. Allen said most would be transferred with a few temporary employees losing their jobs. Commissioner Hunsucker made a motion to adopt such a resolution and the motion carried unanimously. The following resolution applies:

**Resolution 2011-05**  
**A RESOLUTION OF THE CATAWBA COUNTY BOARD OF COMMISSIONERS**  
**IN OPPOSITION TO LOSS OF JOBS AT HICKORY MAIL PROCESSING AND DISTRIBUTION**  
**CENTER**

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**WHEREAS**, the Hickory-Morganton-Lenoir Metropolitan Statistical Area's (MSA) unemployment rate stands at 12.4 percent as of December 2010; and

**WHEREAS**, the Hickory-Morganton-Lenoir MSA had the second highest unemployment rate in October 2010 among North Carolina's 14 MSA's; and

**WHEREAS**, the Hickory-Morganton-Lenoir MSA has lost 47,538 jobs since the year 2000 (nearly one out of every four jobs) as of June 2010; and

**WHEREAS**, the Hickory-Morganton-Lenoir MSA has lost 1,319 jobs in the past 12 months; and

**WHEREAS**, the Catawba Valley area and surrounding counties and municipalities have borne a disproportionate burden from the various free trade agreements and initiatives instituted over the past several years and the promised prosperity and goodwill from such actions have failed to contribute favorably to this area; and

**WHEREAS**, the U.S. Postal Service is conducting an Area Mail Processing (AMP) study of mail processing at the Hickory Processing and Distribution Center for possible consolidation of some operations into the Greensboro Processing and Distribution Center that would result in the further loss of jobs in the Hickory-Morganton-Lenoir MSA;

**NOW THEREFORE BE IT RESOLVED THAT THE CATAWBA COUNTY BOARD OF COMMISSIONERS** urges the U.S. Postal Service to consider and incorporate the high unemployment rate and loss of jobs in the Hickory-Morganton-Lenoir MSA into the U.S. Postal Service AMP Study, and the Catawba County Board of Commissioners opposes any further loss of jobs in the region.

**ADOPTED THIS** 2nd day of May, 2011.

7. Presentations:

a. Mr. David Nicholson, Outreach Associate for the North Carolina Association of County Commissioners, presented Public Health Director Doug Urland, Assistant Public Health Director Kelly Isenhour and Community Outreach Manager Amy McCauley with a 2010 Outstanding County Program Award for its flu pandemic and vaccination public information campaign, "Arm Yourself Against the Flu". Mr. Urland thanks the Association for the award and thanked the Public Health staff for their efforts and dedication.

b. Vice-Chair Lail presented EMS Manager Sylvia Fisher and Emergency Service Director Bryan Blanton with a proclamation recognizing May 15-21, 2011, as Emergency Medical Services Week. The week commends Emergency Medical Services for providing lifesaving care for those in need, twenty-four hours per day, seven days a weeks, and spotlights the benefits Americans receive from these highly trained, knowledgeable individuals and the reduction in national health care costs resulting from these services.

c. Chair Barnes presented the County's Budget Manager Jennifer Mace, Budget Analyst II Paul Murray and Budget Analyst I Katrina Crooks with a 2010 Distinguished Budget Presentation Award given by the Government Finance Officers Association. The award is given to local governments that prepare and publish a budget document judged to be both informative and understandable. Catawba County has won the award for 22 consecutive years.

d. Chair Barnes asked all Board members to join her at the podium to present a proclamation declaring May 1-7 as Public Service Recognition Week to recognize that local, state and federal government employees are integral to the quality of life in Catawba County. Being closest to the people, local government leaves the strongest impression on its recipients, placing a great responsibility on County employees to provide exemplary customer service with compassion, empathy and understanding. The efficiency and effectiveness of government depends largely on these employees. Catawba County employees touch the lives of all residents by providing a wide range of services specified in the proclamation, which expresses the Board's "deep appreciation for the innovation and daily contributions Catawba County employees make to the lives of county citizens".

e. After commending all public service employees with the Public Service Recognition Week Proclamation, the Board went on to commend nine County employees who have been recognized by their colleagues for outstanding performance. Five are department heads who are presidents of

their state associations: Rodney Miller, North Carolina Government Finance Officers Association; Debra Bechtel, North Carolina County Attorney's Association; Karen Foss, North Carolina Public Library Directors Association; Mark Logan, Western Piedmont Tax Association; and Terry Bledsoe, North Carolina Local Government Information Systems Association, who was also recognized as one of the 2011 Top 25 Doers, Dreamers and Drivers in government technology by Government Technology Magazine. Four employees have been recognized by their state associations: Brian Drum, Supervisor of the Year, North Carolina Chapter of the National Emergency Number Association; Beatrice Abernathy, Billy D. Ray Purchaser of the Year Award, Carolinas Association of Government Purchasing; Dave Hardin, Chris Coulson Memorial Award, North Carolina City and County Communicators; and Lee Worsley, Outstanding Assistant Manager, North Carolina City and County Management Association.

8. Appointments:  
Chair Barnes recommended the reappointment of Ellie Bradshaw and Garrett Hinshaw for second terms on the Economic Development Corporation. These terms will expire on June 30, 2014. Chair Barnes also recommended the reappointment of John Cline for a second term on the Alcohol Beverage Control Board. Mr. Cline's term will expire on April 6, 2014.

These recommendations came in the form of a motion, which carried unanimously.

9. Consent Agenda:  
County Manager J. Thomas Lundy presented three items on the consent agenda:
  - a. A request for the Board to approve amending the terms of an existing property lease between the County and Catawba Valley Behavioral Healthcare (CVBH) to provide space for Social Services for supervised visitation of foster children. CVBH is currently leasing the County's Lifeskills facility (15,780 square feet) for \$75,744 per year. CVBH continues to provide services to County citizens struggling with matters of mental illness and developmental disabilities.

Per court orders, Social Services provides supervised visitation for approximately 100 children in foster care every month. The majority of these visits occur at the agency between the hours of 2 p.m. and 6 p.m. Judges increasingly order visits with biological parents and siblings several times a week and on weekends. A sibling group may have different fathers and/or stepparents who need separate visits. Social workers, social work assistants and foster parents provide transportation for children to visit with their parents. The main Social Services Building has two small visiting rooms for this purpose. However, the rooms cannot accommodate sibling groups and are inadequate for any interactive play. The lack of space also limits parents' ability to prepare snacks or demonstrate more normal parenting behaviors. Social workers have resorted to using waiting rooms and conference rooms for visitation, which is not conducive to observation or family interaction.

The Lifeskills Program behind the Family Services Center has experienced a reduced census this year because of policy changes, and is basically empty after 2 p.m. Child Welfare staff believes the proximity and features of the Lifeskills space, with kitchen, eating areas, access for the disabled and fenced courtyard, would be ideal for family visitation and promote efficiencies for staff and foster parents during visitation. The Lifeskills building has security cameras in each room that would allow greater security for staff and children during parental visits. CVBH has agreed that this would maximize use of the County's building—and has agreed for Social Services to use two rooms for visitation (approximately 1500 square feet), including the kitchen, eating areas and courtyard, from 2-6 p.m. daily.

The overall cost of this space will remain at \$75,744. However, the cost will now be split between CVBH (\$68,544) and Social Services (\$7200). Approximately \$1500 of this cost for Social Services will come from State and Federal reimbursements. The remainder will come from fund balance. The amended lease will be effective from the date of approval by the Commissioners through June 30, 2012 and then reviewed for renewal thereafter on an annual basis. The following amended lease applies:

STATE OF NORTH CAROLINA  
COUNTY OF CATAWBA  
ADDENDUM TO

LEASE AGREEMENT

THIS ADDENDUM TO LEASE AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Catawba County, a political subdivision of the State of North Carolina, hereinafter called Lessor, and Catawba Valley Behavioral Healthcare, a non-profit 501 (c)(3) agency organized and operated under the provisions of the Internal Revenue Code of 1954, hereinafter called Lessee.

WHEREAS, the parties entered into a Lease Agreement on the 1st day of January, 2009, whereby Catawba County leased to Catawba Valley Behavioral Healthcare approximately 15,780 square feet of space located at 3060 11<sup>th</sup> Avenue Drive SE, Hickory, North Carolina ("Lifeskills") with the adjoining parking lot, said property being a part of Parcel Identification Number 3722-1562-3515 and recorded in Deed Book 757 at Page 119 in the Catawba County Registry, hereinafter called the "Demised Premises," together with any improvements thereon.

WHEREAS, the parties desire to amend said Lease Agreement as follows:

1. The amount of square footage included in the Demised Premises shall be reduced from 15,780 square feet to 14,280 square feet.
2. The annual rental amount paid by the Lessee to the Lessor shall be reduced from \$75,744.00 to \$68,544.00.

WHEREAS, the parties agree that only the provisions of the Lease Agreement specifically identified and referenced above are being amended pursuant to this Addendum. The parties further agree that all other terms and conditions of the Lease Agreement referenced above remain in full force and effect.

IN WITNESS WHEREOF, the parties hereunto have set their hands the day and year above first written.

b. A request for the Board to issue a Pyrotechnics Permit to Rock Barn Golf & Spa. Rock Barn submitted a Pyrotechnic Permit application for a fireworks display to be conducted on May 30, 2011, at 3763 Golf Drive in Conover, NC. The display, part of the Greater Hickory Classic, is scheduled to occur at 8:45 p.m. on May 30 and last approximately 30 minutes. Rock Barn Golf & Spa has contracted with Pyro Shows Inc, which has a valid "Outdoor Pyrotechnics Display Operators Permit" through the North Carolina Department of Insurance, Office of the State Fire Marshal. Based on the application, all statutory requirements have been or will be met. If, at any time, any requirement of the permit is not satisfied, the County Fire/Rescue Division will immediately revoke the permit. The following permit applies:

PERMIT TO POSSESS AND DISPLAY REGULATED PYROTECHNICS

The applicant, Rock Barn Golf & Spa, having met or asserting he will meet, all the requirements of NCGS 14-410, 14-413, 58-82A-3 and Chapter 33 of the NC Fire Prevention Code, the Catawba County Board of Commissioners hereby authorizes Rock Barn Golf & Spa to possess and display pyrotechnics provided all statutory regulations and conditions asserted in the application are met at all times.

When atmospheric conditions, local circumstances or a ban on outdoor burning has been issued, the Fire/Rescue Division of the Catawba County Emergency Services Department has the authority to approve a new date for the pyrotechnics display.

The scheduled time and date of discharge are: May 30<sup>th</sup>, 2011 at 8:45 pm.

The Fire/Rescue Division has the authority to revoke this permit at any time if any requirements are not being met.

c. A request for the Board to waive permit fees that are applicable to the Catawba County Fee Schedule, Building Permit Fees, for the 2011 Greater Hickory Classic at Rock Barn. The County received a request from Mr. Peter Fisch, Tournament Manager of the Greater Hickory Classic at Rock Barn, to waive the permit fees for the 2011 tournament. The event is scheduled to be held at the Rock Barn Golf & Spa in Conover, June 6 – 12, 2011. The building permit fees have been waived for all previous Greater Hickory Classic events. The request to waive permit fees is applicable only to the Catawba County Fee Schedule, Building Permit Fees. This approval will not negate permit issuance or inspections in order to protect the safety, health, and welfare of the citizens of and visitors to Catawba County. The waived permit fees are estimated to be valued at less than \$5000. The impact of last year's event is estimated to be in excess of \$15 million. The event attracts more than 65,000 spectators, volunteers, and vendors, and airs over 15 hours of live and replay coverage on the Golf Channel.

Chair Barnes asked if any Commissioner wished for an item to be broken out of the consent agenda to be considered individually and none was requested. Vice-Chair Lail made a motion to approve the consent agenda. The motion carried unanimously.

10. Departmental Reports:

a. Economic Development Corporation:

Julie Pruett of the Economic Development Corporation presented a request for the Board to consider entering into an incentive agreement with Turbocoating Corp., USA, which is leasing 60,000 square feet in Catawba Industrial Commons, the former Corning Cable Systems building, at 1926 Main Avenue SE in Hickory for 10 years, and plans to invest a minimum of \$13 million in machinery and equipment over the next five years and create at least 80 jobs paying an average wage of over \$50,000 per year over the next five years, with an additional year of incentive should the investment reach at least \$15 million and 110 jobs be created.

Turbocoating is an Italian company that develops special processes and manufactures protective coatings for components used in industrial gas turbines and engines. It produces a wide range of thermal spray processes that provide higher performance and longer product life for gas turbine engines produced by Siemens, Alstom, GE and Rolls Royce. During its 35 years in the coatings industry, it has evolved into high process automation and practices lean manufacturing. Turbocoating began its search for existing buildings in a radius around Charlotte, including North and South Carolina and several counties within each state, before finalizing the search with the Catawba Industrial Commons in Hickory. This will be the company's first U.S. location.

The proposed incentive is based on the condition of a minimum total new investment of \$13 million and the creation of at least 80 new jobs. Should the investment reach at least \$15 million with 110 jobs being created, an additional year incentive would be granted. All jobs will pay an average wage above Catawba County's average wage determined by the N.C. Department of Commerce, with a requirement to not hire anyone 25 years of age or below who does not have a high school diploma. Adhering to all North Carolina General Statutes, a County incentive is proposed in the form of a performance-based grant, upon approval of a contract and the satisfaction of conditions of that contract, based on the minimum investment of \$13 million and 80 new jobs, with a maximum payment of \$52,163 per year for four years (for a total maximum incentive of \$208,652). Should Turbocoating invest \$15 million or more and create 110 jobs or more by Dec 31, 2016, the grant will be extended for one additional year, bringing the grant period to five years and a total maximum incentive of \$260,815. This amount was derived by determining the guaranteed investment and subsequent income stream to the County over a four or five year period and multiplying that figure by 75%. This investment will net a positive payback to the County immediately, similar to paybacks used to determine grant involvement in other County projects. The agreement requires repayment of the incentives should the investment and job creation amounts not be met or sustained.

Chair Barnes and Commissioner Isenhower commended the EDC and Julie for their efforts in bringing business to Catawba County. Commissioner Hunsucker made a motion to adopt the necessary resolution and authorize the Chair to execute the incentive agreement. The motion carried unanimously. The following resolution and incentive agreement apply:

Resolution No. 2011-

Resolution Authorizing Economic Development Incentives for Turbocoating Corp. USA

**WHEREAS**, Turbocoating Corp. USA (herein referred to as "the Company") requested incentives to cause a minimum investment of \$13,000,000, with the possibility of \$15,000,000 or more, in the Company's Hickory facility by December 31, 2016, and the creation and maintenance of a minimum of 80 jobs, with the possibility of 110 or more jobs, by December 31, 2016, with a requirement to not hire anyone without a minimum of a high school diploma for anyone 25 years of age or below, and that the total average wage of the jobs will be above the average wage in Catawba County as determined annually by the North Carolina Department of Commerce.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of Catawba County, North Carolina, as follows:

The Board of Commissioners approves a performance based grant, based on the minimum investment of \$13,000,000 and 80 new jobs, with a maximum payment of \$52,163 per year for 4 years (total maximum incentive of \$208,652). Should Turbocoating invest \$15,000,000 or more and create at least 110 jobs or more by Dec 31, 2016 the grant will be extended for one additional year, bringing the grant period to 5 years (total maximum incentive of \$260,815). This grant will be used to reimburse the Company's expenditures as eligible under North Carolina General Statute 158-7.1. The Board of Commissioners also directs the County to execute a contract and any necessary resolutions or addenda between the Company and the County under these terms and conditions and authorizes the Chair to execute these documents.

This the 2nd day of May, 2011.

Prepared by: **Debra Bechtel, Catawba County Attorney**  
**P.O. Box 389, Newton, North Carolina 28658**

STATE OF NORTH CAROLINA ECONOMIC DEVELOPMENT AGREEMENT  
**COUNTY OF CATAWBA**

This **JOINT ECONOMIC DEVELOPMENT AGREEMENT** (this "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between **Catawba County**, (the "County") a North Carolina Body Politic Corporate in Nature, having a mailing address of **P.O. Box 389, Newton, North Carolina 28658**, and **Turbocoating Corp.** ("Turbocoating") in North Carolina a subsidiary of Turbocoating, S.p.A., an Italian Joint Stock Company, having a mailing address of 1926 Main Avenue SE, Hickory, NC 28602. All material transactions regarding this Agreement shall be deemed to have occurred in Catawba County, North Carolina.

**WITNESSETH:**

**WHEREAS, the County is desirous of fostering economic development within its boundaries; and**

**WHEREAS, North Carolina General Statutes Section 158-7.1(a) authorizes the County to make appropriations for the purpose of aiding and encouraging the location of business enterprises and industrial and commercial plants in or near its boundaries; and**

WHEREAS, Turbocoating S.p.A. is an Italian Joint Stock Company and Turbocoating Corp. is registered with the State of Delaware, lawfully authorized to do business within the State of North Carolina; and

WHEREAS, Turbocoating is engaged in manufacturing protective coatings for components used in industrial gas turbines and engines within the meaning of North Carolina General Statutes Section 158-7.1; and

WHEREAS, Turbocoating intends to lease an existing building and up-fit the building to accommodate manufacturing operations (the "Property") within the limits of the County at 1926 Main Avenue SE, Hickory, NC, Parcel ID #371207695031 for the purpose of converting such improvements into Turbocoating's manufacturing operations of protective coatings for components used in industrial gas turbines and engines (the "Facility"); and

WHEREAS, in order to engage in such enterprise, Turbocoating intends to improve (or cause to be improved) the existing building located on the Property and acquire and/or relocate equipment, and install the same in the Facility; and undertake such other work as may be appropriate to accomplish the improvement described herein (collectively, the "Improvements"); and

WHEREAS, Turbocoating anticipates that the total expense of the Improvements, and investment in the community, inclusive of any costs of machinery, equipment and fixtures, during the Improvement Period, as defined below, will be a minimum of Thirteen Million (\$13,000,000) up to Fifteen Million (\$15,000,000) Dollars and the Improvements are expected to increase the tax base of the County by a related amount; and

WHEREAS, as a result of the improvements, the facility is expected to create a minimum of 80 and up to 110 jobs, and such jobs will require a minimum of a high school diploma for anyone 25 years of age or below and a high school diploma or GED for anyone 25 years of age or above and such jobs will exceed average wage requirements as listed by the North Carolina Department of Commerce; and

WHEREAS, as an inducement to Turbocoating, and to assist Turbocoating in connection with the Improvements, the County is willing to appropriate and expend County funds to provide certain economic development incentives for the creation of jobs, as provided in this Agreement, all such appropriations and expenditures to be made pursuant to the terms and conditions of this Agreement and N.C.G.S. Section 158-7.1(a); and

WHEREAS, the County has approved the appropriation and expenditure as hereinafter set forth for the specific purpose of making economic development grants based on the value of the property improvement, the Improvements to be made and the jobs to be created; and

WHEREAS, Turbocoating acknowledges that but for the County's provision of economic development grants, it would not have agreed to enter into this enterprise; and

WHEREAS, Turbocoating is expected to be a community-oriented company and intends to participate in philanthropy, community events and programs intended to increase health and happiness of its employees and the greater community as a whole; and

WHEREAS, Turbocoating is encouraged, to the reasonable extent possible, to purchase local services and supplies, such as, but not limited to, locally produced products, local hotel, motel and hospitality services, local building and construction services, and other products and services; and

WHEREAS, in consideration of these economic development incentives, Turbocoating agrees to comply with the covenants and conditions binding upon it as set forth in this Agreement; and

WHEREAS, the parties are desirous of reducing their agreement to written form;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

The County and Turbocoating agree that this Agreement shall apply only with respect to Improvements undertaken or payments for such improvements by Turbocoating between April 1,



2011 and December 31, 2016 (the "Improvement Period") unless, after appropriate notice and public hearing as required by law, if any, the parties shall agree in writing to extend the same. In no event shall the amounts established herein be increased due to any extension of time for fulfillment of the terms and conditions of this Agreement.

1. This Agreement is executed subject to the fulfillment, on or before May 15, 2011, of each of the following conditions precedent, except to the extent that Turbocoating may, in its absolute discretion, waive one or more thereof in whole or in part:

The County shall deliver to Turbocoating an Opinion of Counsel for the County, in form and substance reasonably satisfactory to Turbocoating, that this Agreement has been duly authorized, executed and delivered by the County; and stating that this Agreement complies with the terms and requirements of N.C.G.S. Section 158-7.1(a) and is binding upon and enforceable against the County with its terms; and evidence in the form of a Resolution or Resolutions, or official minutes, of the County duly adopted authorizing the economic development incentives set forth in this Agreement.

County agrees to use its best efforts to cause such conditions to be satisfied on or before May 15, 2011.

2. This Agreement is executed subject to the fulfillment, on or before May 15, 2011, of each of the following conditions precedent, except to the extent that the County may, in its absolute discretion, waive one or more thereof in whole or in part.

2.1 Turbocoating shall deliver to the County a certificate confirming that it has entered into a 10 year lease of the property located at 1926 Main Avenue SE, Hickory, NC, Parcel ID #371207695031 and that the construction and/or installation of the Improvements will result in the creation, maintenance and availability of a minimum of 80 and up to 110 new jobs requiring a minimum of a high school diploma for anyone 25 years of age or below and a high school diploma or GED for anyone 25 years of age or above, as outlined by Education Matters, prior to December 31, 2016 in Catawba County, and that those jobs will pay wages that are above the average wage requirement in Catawba County as listed by the North Carolina Department of Commerce, and affirms understanding of, and agrees to comply with, the Calendar of Responsibilities as outlined in Exhibit "A". Such certificate shall be in the form or substantially in the form of the certificate attached to this Agreement as Exhibit "A".

2.2 An Opinion of Counsel for Turbocoating, in form and substance reasonably satisfactory to the County, that this Agreement has been duly authorized, executed and delivered by Turbocoating; and stating that this Agreement is binding upon and enforceable against Turbocoating, in North Carolina, in accordance with its terms.

Turbocoating agrees to use its best efforts to cause such conditions to be satisfied on or before May 15, 2011.

3. In order to induce the County to enter into this Agreement and to appropriate and expend monies for payment of economic development incentives pursuant to this Agreement, Turbocoating represents and warrants to the County that as of the execution date hereof:

3.1 It is a Joint Stock Company duly organized and existing under the laws of Italy, has a place of business within the State of North Carolina, and is in good standing and authorized to do business in the State of North Carolina;

3.2 It has the corporate power and authority to own its properties and assets and to carry on its business as now being conducted and has the corporate power and authority to execute and perform this Agreement;

3.3 This Agreement (i) is the valid and binding instrument and agreement of Turbocoating, enforceable against Turbocoating in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on Turbocoating, the charter documents or operating agreement of Turbocoating or any provision of any indenture, agreement or other instrument to which Turbocoating is a party; and (iii) does not conflict with, result in a breach of, or constitute an

event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any indenture, agreement or other instrument to which Turbocoating is a party;

3.4 There is no suit, claim, action or litigation pending, or to the best knowledge of Turbocoating threatened, relating to the Improvements, the use of the Improvements for their intended purpose, or any other matter contained herein;

3.5 To the best of Turbocoating's knowledge, there is no impediment to the use of the Property for the purposes contemplated by this Agreement.

3.6 Turbocoating is not engaged in a business that would be exempt from property taxes.

4. Subject to satisfaction of the conditions set forth in Sections 1, 2 and 3 above, Turbocoating covenants and agrees with the County that in consideration of the appropriation and expenditure by the County of such economic development incentives, Turbocoating shall make or cause to be made improvements to the Property and install machinery and equipment during the Improvement period. Cumulative expenditures are in addition to the lease of the building and property and will meet or exceed Thirteen Million (\$13,000,000) up to Fifteen Million (\$15,000,000) Dollars by December 31, 2016, with Thirteen Million (\$13,000,000) Dollars being invested by December 31, 2013 with the possibility of an additional Two Million (\$2,000,000) Dollars being invested by December 31, 2016 all of which will qualify and result in additional value for ad valorem tax purposes as determined by the Catawba County tax office. Turbocoating further covenants and agrees it will maintain in place, in good condition, said improvements through December 31, 2020. The parties understand and agree that the minimum investment of Thirteen Million (\$13,000,000) Dollars and the maintenance of that investment through December 31, 2020 is a material term of this Agreement.

5. Also subject to satisfaction of the conditions set forth in Sections 1, 2 and 3 above, Turbocoating covenants and agrees with the County that in consideration of the appropriation and expenditure by the County of such economic development incentives, Turbocoating shall create and maintain a minimum of 80 new jobs with the potential to create 110 new jobs by December 31, 2016. Turbocoating shall maintain and continue to make available a minimum of 80 jobs through December 31, 2020. The parties understand and agree that the minimum number of 80 jobs and the maintenance of those jobs through December 31, 2020 is a material term of this Agreement.

6. Payment of economic development incentives will be made as provided in this Section 6. The County will provide annual payments equal to 75% of the ad valorem taxes associated with the additional value as paid to the County for either a four year or five year period depending on the level of investment and jobs created. The maximum payment by the county will not exceed Two Hundred Eight Thousand Six Hundred Fifty-Two (\$208,652) Dollars or Two Hundred Sixty Thousand Eight Hundred Fifteen (\$260,815) Dollars depending on the number of jobs maintained and level of investment made as outlined below.

Based on the minimum investment of \$13,000,000 but less than \$15,000,000 by December 2013 and the minimum job creation of 80 new jobs, the County will provide annual payments equal to 75% of the additional ad valorem taxes paid to the County for a four (4) year period commencing with the taxes payable for the tax values on January 1, 2012, and January 1 of the succeeding three (3) years. In no event, except as outlined below, will the cumulative payments by the County exceed Two Hundred Eight Thousand Six Hundred Fifty-Two (\$208,652) Dollars. Said amount shall be payable in four (4) annual installments, beginning in calendar year 1 and payable through calendar year 4. For purposes of this Agreement, "CY 1" means calendar year 2012 and "CY 2" through "CY 4" means the succeeding three (3) calendar years. Should Turbocoating invest \$15,000,000 or more by December 31, 2016 and create 110 jobs or more by December 31, 2016 the incentive payment, equal to 75% of the additional advalorum taxes paid to the County, will be extended for one additional year, making the incentive payment period a five (5) year period. Upon payment of ad valorem taxes by Turbocoating to the County for each of CY 1 through CY 4 or CY 5, Turbocoating will provide certification of improvements in the form or substantially in the form of the certificate attached hereto as Exhibit B, to the date of such certification with proof of taxes paid by Turbocoating and verification that Turbocoating has created and maintained jobs as outlined in the schedule above. After receipt of certification from Turbocoating the County will, within sixty (60)

days, pay to Turbocoating an economic development incentive payment, the amount of which is calculated by multiplying by .75 the total ad valorem tax revenue received by the County attributable to the value of the eligible improvements made by Turbocoating pursuant to this Agreement in excess of the amount attributable to improvements already in place and taxed on the site as of the date that Turbocoating acquires the Property. This same process will be followed by the County in each of the immediately following three (3) or four (4) years. Regardless of the calculation, the maximum amount the County would pay in calendar years 1 through 4 or 5 will be \$52,163, for a combined, maximum total over the four year period of \$208,652 or a five year period of \$260,815. No incentives will be paid to Turbocoating in any year they fail to create and maintain aforementioned job requirements or investment minimums as previously set forth. No incentives will be paid by the County after the fourth or fifth year pursuant to this Agreement, but nothing in this Agreement precludes the County and Turbocoating from entering into a subsequent agreement pertaining to other economic development incentives. Turbocoating shall furnish to the County on or before December 31 of each calendar year the certification required by this Section 6. If requested, Turbocoating shall provide the County, at the County's expense, independent certification as to such expenditures.

<b>GRANT YEAR</b>	<b>MAXIMUM PAYMENT BY COUNTY - \$13M, 80 jobs</b>	<b>MAXIMUM PAYMENT BY COUNTY - \$15M, 110 jobs</b>
1	\$52,163	\$52,163
2	\$52,163	\$52,163
3	\$52,163	\$52,163
4	\$52,163	\$52,163
5	0	\$52,163
<b>Total</b>	<b>\$208,652</b>	<b>\$260,815</b>

7. Notwithstanding the provisions of Paragraph 8, in the event Turbocoating is unable to meet the requirements of Paragraphs 4, 5 and 6 as a result of (i) an event of force majeure, including but not limited to fires, explosions, acts of God, acts of public enemy, insurrections, riots, terrorism, embargoes, labor disputes, including strikes, lockouts and job actions, or boycotts; (ii) the inability to obtain the governmental permits or approvals (including zoning) necessary for the acquisition of the land or undertaking and operating the Improvements after a good faith effort to obtain same has been made; (iii) shortages of materials or energy; (iv) changes in laws; or (v) other causes beyond the control of and arising without the fault or negligence of Turbocoating; then, in such event, the improvement period shall be extended for a period equal to the delay caused by any of the foregoing events so long as Turbocoating shall (a) have furnished the County on a timely basis, upon the occurrence of such event, a notice thereof, and (b) take all commercially reasonable steps necessary to relieve the effect of such event and to resume completion of the Improvements.

8. It shall be an Event of Default if any one or more of the following events shall occur for any reason whatsoever (and whether such occurrence shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- a. If Turbocoating, except in the event of force majeure, shall commit a material breach of a material covenant or obligation hereunder (including without limitation, the obligation to meet the investment goals and maintaining the minimum number (80) of newly created jobs as set forth herein) and such breach shall continue for a period of sixty (60) or more days following the receipt of written notice from the County;
- b. If any material representation, warranty or other statement of fact contained in this Agreement or in any writing, certificate, report or statement furnished by Turbocoating to the County in connection

with the transaction described in this Agreement, shall be false or misleading in any material respect when given;

c. If Turbocoating shall be unable to pay its debts generally as they become due; files a petition to take advantage of any insolvency statute; makes an assignment for the benefit of creditors; commences a proceeding for the appointment of a receiver, trustee, liquidator or conservator of itself or of the whole or any substantial part of its property; files a petition or answer seeking reorganization or arrangement of similar relief under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state;

d. If a Court of competent jurisdiction shall enter an order, judgment, or decree appointing a custodian, receiver, trustee, liquidator, or conservator of Turbocoating or of the whole or any substantial part of its properties, or approve a petition filed against Turbocoating seeking reorganization or arrangement of similar relief under the federal bankruptcy laws or any other applicable law or statute; or if, under the provisions of any other law for the relief or aid of debtors, a court of competent jurisdiction shall assume custody or control of Turbocoating or of the whole or any substantial part of its properties or

e. If Turbocoating shall allow its taxable assets, employment (minimum 80 jobs) and average wage amounts to fall below the minimum values agreed upon in this Agreement, as each of the same pertain to the Facility contemplated by this Agreement;

9. Remedy: If an Event of Default occurs, the obligation of the County as set out herein shall terminate, and Turbocoating shall immediately refund to the County all economic development incentive payments paid to Turbocoating prior to the date of the Event of Default plus interest at the rate of prime plus one percent (1%). The date the prime interest rate shall be determined shall be the date the County sends to Turbocoating notice of the Event of Default.

10. Both Turbocoating and the County acknowledge that any and all monies appropriated and expended by the County for economic development incentives, as provided in this Agreement, are for a bona fide public purpose and are expended in good faith reliance on North Carolina General Statute 158-7.1. In the event a Court of competent jurisdiction, after final appeal, rules in a lawsuit to which either Turbocoating or the County is a party, that all monies expended by the County pursuant to this Agreement were not offered and accepted in good faith and pursuant to and in compliance with North Carolina General Statute 158-7.1 and, further, that such monies must be repaid, then Turbocoating will make such repayment. Further, if any elected officials, officers agents or employees of the County are found by a Court of competent jurisdiction, after final appeal, to be personally liable for any of the monies so expended, and such liability is not covered by the County's public officials' liability insurance, then Turbocoating will indemnify such elected officials, officers, agents or employees individually to the extent of the monies expended by the County pursuant to this Agreement, including all court costs and attorney fees; provided, however, such indemnification obligation of Turbocoating shall not apply if the liability of such elected officials, officers, agents or employees resulted from intentional or criminal misconduct or a breach of fiduciary obligations to the County. The County agrees to maintain adequate public official liability coverage. In the event one or more lawsuits are brought against the County or any County elected official, officer, agent or employee challenging the legality of this Agreement, then the County, in the exercise of sole discretion, shall defend against any and all such lawsuits.

11. All notices, certificates or other communications required or permitted to be given or served hereunder shall be deemed given or served in accordance with the provisions of this Agreement if the notice is (i) mailed in a sealed wrapper and is deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or (ii) deposited with a national overnight courier service that retains receipts for its deliveries, properly addressed as follows:

Catawba County:  
Catawba County  
100-A S.W. Blvd.  
Newton, NC 28658  
Attn: J. Thomas Lundy, County Manager

Copy to:  
Catawba County Attorney's Office  
100-A S.W. Blvd.  
Newton, NC 28658  
Attn: Debra Bechtel, County Attorney

Company:  
Turbocoating, Corp.  
1926 Main Avenue SE  
Hickory, NC 28602  
Attn: Rudi Bakker

Catawba County or Turbocoating may, by notice given to the other, designate any further or different addresses to which notices, certificates, requests or other communications shall be sent.

12. This Agreement shall inure to the benefit of, and is binding upon, Catawba County and Turbocoating and their respective successors and assigns. However, neither this Agreement, nor any rights, privileges, or claims created by this Agreement may be transferred by Turbocoating without the prior, written approval of the County, which approval will not be unreasonably withheld, conditioned or delayed.

13. Except as otherwise provided in this Agreement, this Agreement may not be amended, changed, modified or altered except by written agreement of the parties.

14. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions of this Agreement.

15. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart.

16. This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina, venue in Catawba County.

17. The term of this Agreement shall commence on the date of execution and expire upon payment by the County of all payments due to Turbocoating hereunder, unless earlier terminated as provided herein.

18. Both Turbocoating and Catawba County acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by Counsel for both Turbocoating and Catawba County. As such, the doctrine of construction against the drafter shall have no application to this Agreement.

Executed the date first set forth above.

b. Social Services:

Champions of Education Director Lamar Mitchell, Program Manager Dawn Wilson and Partnership for Children's Executive Director Kim Salyards presented a report on the progress of the Catawba County Children's Agenda. It summarized two years of work by a Children's Agenda Committee, appointed by the Board in February 2009 to engage in a strategic planning process to establish a cohesive agenda of over-arching issues impacting children in Catawba County and their families. These identified issues will be used by community organizations, foundations, government and community leaders to inform planning efforts, address service gaps and identify legislative priorities. A snapshot of these issues may be found at <http://www.catawbacountync.gov/dss/f&csvs/snapshot/snapshot.asp>

The planning process brought together community leaders and representatives from child-serving agencies and county-wide initiatives. The process included developing a vision, mission and

principles of work; gathering primary and secondary data on the status of children in Catawba County; reviewing the strategic planning documents from nine child-serving organizations; surveying of child-serving professionals and community residents to determine the priority needs of children and families in Catawba County; analysis of the information gathered, and development of the Children's Agenda outlining the priority issues or goals for children and families, and suggested strategies for accomplishing those goals.

The Committee recommended the following steps: support of the Children's Agenda goals by elected officials and community leaders to affirm this is a unified vision for children in Catawba County; annual updating of a *Child Data Snapshot* coordinated by the County; development of a *Children's Budget* by the County to highlight spending on services impacting children; and discussion by the Children's Agenda Committee to determine an entity or entities to help move the work of the agenda forward. The committee recognizes an ongoing need for: 1) a convener or coordinator for alignment of activities, 2) a central point or platform for aggregate data and information about resources and low-cost activities for families, and 3) coordinated messaging and communication campaigns around multiple child-wellbeing issues.

Vice-Chair Lail and Chair Barnes commented on the impressive amount of information that was included in the report and in particular, the snapshot. Vice-Chair Lail asked if those children who were home-schooled were represented in the figures and it was noted that these children were registered with the state and not our local systems so it was difficult to gather that data. Commissioner Isenhower suggested collaboration with the faith-based community in these efforts. Chair Barnes stated she intended to take the Darkness into Light training that would be available in the fall and said she appreciated all the work that had been put into this report.

c. Utilities and Engineering:

1. Utilities and Engineering Director Barry Edwards presented a request for the Board to approve amending a contract between Catawba County and the City of Conover for revenue sharing on the Bunker Hill/Oxford/River Bend Sewer Project; to enter into an agreement with the Western Piedmont Council of Governments (WPCOG) for grant administration; to approve a capital project budget ordinance for this project, as required by the State for grant compliance; and to authorize Jack Chandler, Assistant Utilities and Engineering Director, to conduct an open meeting in accordance with North Carolina General Statute 133-3 concerning preferred alternates for Fairbanks-Morse pumps, preferred by Conover, for the project. This sewer project was developed specifically for and is predominantly serving Bunker Hill High School, Oxford Elementary School, and River Bend Middle School.

The Bunker Hill/Oxford/River Bend Sewer Project will provide municipal sewer service to approximately twenty residences and Bunker Hill High School, Oxford Elementary School and River Bend Middle School. Bunker Hill and Oxford are expected to connect immediately in order to address issues associated with the aging on-site sewage disposal systems at these schools. The Bunker Hill and Oxford systems are experiencing increasing operating and maintenance costs as well as being malodorous at times. River Bend Middle School, built in 1998, has an adequate on-site sewage disposal system. However, the existing on-site system is very large, taking up valuable property that can be more fully utilized if/when the school is connected to municipal sewer. The Board of Commissioners previously appropriated \$2.93 million for the project. The County was awarded grant funds in the amount of \$1.6 million from the North Carolina Division of Environment and Natural Resources' Public Water Supply Section, to be applied to this project. The payback period for this project is estimated to be 18 years, 9 months.

Staff, along with the City of Conover, has acquired forty easements and pump station property purchases needed before the project could be bid for construction. A bid award is anticipated on July 11, 2011, with an anticipated completion date of May 2012. The project will be bid in three divisions: 1) Oxford Gravity Sewer; 2) Bunker Hill Gravity Sewer; and 3) Bunker Hill Pump Station and Force Main. This will allow the bidders the flexibility of bidding on one division or multiple divisions, which County staff hopes will result in lower bid prices and provide the opportunity for concurrent work on different divisions, potentially reducing the overall construction time.

On May 15, 2006, the Board of Commissioners approved an agreement between Catawba County and the City of Conover for revenue sharing on the Bunker Hill sewer line. The revenue sharing agreement stipulates that the agreement will void if construction has not started within two years of its execution. The proposed Amendment, drafted by the City of Conover, revises the effective date of the contract from May 15, 2006 to April 5, 2011 and is scheduled to be on the Conover City Council agenda on May 2, 2011. The Western Piedmont Council of Governments will provide grant administration services in the amount of \$30,000 to ensure grant compliance.

The City of Conover uses Fairbanks-Morse pumps for all of its pump stations. The City prefers using Fairbanks-Morse pumps in this project since it provides enhanced efficiency in operations and maintenance procedures for the city for all of its pump stations, reduces spare parts inventory and provides interchangeability within the system. Since any preferred alternate must be discussed at an open meeting, staff requested that authority to act as the official for the County be delegated to Assistant Utilities and Engineering Director, Jack Chandler, for the preferred alternate discussion that will occur at the advertised pre-bid meeting.

Commissioner Isenhower made a motion to approve amending a contract between Catawba County and the City of Conover for revenue sharing on the Bunker Hill/Oxford/River Bend Sewer Project; to enter into an agreement with the Western Piedmont Council of Governments (WPCOG) for grant administration; to approve a capital project budget ordinance for this project, as required by the State for grant compliance; and to authorize Jack Chandler, Assistant Utilities and Engineering Director, to conduct an open meeting in accordance with North Carolina General Statute 133-3 concerning preferred alternates for Fairbanks-Morse pumps, preferred by Conover, for the project. The motion carried unanimously. The following documents apply:

AMENDMENT TO AGREEMENT BETWEEN CATAWBA COUNTY AND CITY OF CONOVER FOR  
REVENUE SHARING ON BUNKER HILL SCHOOL SEWER PROJECT

The agreement between the City of Conover and Catawba County dated May 15, 2006 reference the project in the title to this agreement shall have an effective date of April 5, 2011.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the day and year above first written.

CATAWBA COUNTY BOARD OF COMMISSIONERS

\_\_\_\_\_  
Katherine W. Barnes, Chair

AGREEMENT BETWEEN THE  
WESTERN PIEDMONT COUNCIL OF GOVERNMENTS AND  
THE CATAWBA COUNTY  
FOR THE PROVISION OF  
STATE BOND GRANT  
BUNKER HILL/OXFORD WASTEWATER PROJECT  
MAY 2011 – DECEMBER 2012

This AGREEMENT, entered into on this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the Western Piedmont Council of Governments (hereinafter referred to as the "Planning Agency") and Catawba County, North Carolina (hereinafter referred to as the "Local Government"); WITNESSETH THAT:

WHEREAS, the Planning Agency is empowered to provide technical assistance by the North Carolina General Statutes and by resolution passed by the Planning Agency on April 17, 1972.

Technical assistance shall consist of the provision of services as described in Attachment A, which is herein made a part of this Contract;

WHEREAS, the Local Government has requested the Planning Agency to provide such technical assistance to the Local Government; and

WHEREAS, the Planning Agency desires to cooperate with the Local Government in every way possible to the end that the proposed activities are carried out in an efficient and professional manner;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Personnel.** That during the period of this Contract, the Planning Agency will furnish the necessary trained personnel to the Local Government.

2. **Travel/Printing.** The Local Government will pay for expenses related to conferences, conventions, seminars, local travel, etc. of the personnel when the Local Government requests or approves travel related to the Local Government's planning program, or if it is beneficial to both parties, the costs will be shared on an agreed-upon ratio.

The Local Government will also pay for expenses related to printing of report(s), mailings to advisory boards, and other costs not related to normal travel and staffing costs associated with personnel furnished by the Planning Agency.

3. **Compensation.** The Local Government will pay the Planning Agency an amount of \$30,000 (thirty thousand dollars) for the satisfactory performance of all services related to administration of the project as defined in the attached Scope of Services.

Planning Agency personnel will keep an accurate record of time spent, which will serve as the basis for the amount charged to the Local Government per month. The Local Government will reimburse the Planning Agency monthly at a rate per hour for each of the personnel involved, which includes the salary, fringe benefits, travel and indirect costs, plus travel and other approved expenses.

All other costs associated with the administration of the grant will be expended from the grant administration allowance budgeted for the Local Government.

It is expressly understood and agreed that total compensation shall not exceed the maximum sum specified without prior approval of both agencies.

4. **Termination/Modifications.** The Local Government may terminate this Contract by giving the Planning Agency a thirty-day written notice. Furthermore, if there is a need to amend the proposal outlined in Attachment A, either party may do so with the written approval of the other.

5. **Time of Performance.** The Planning Agency shall ensure that all services required herein shall be completed and all required reports, maps, and documents submitted during the period beginning May 1, 2011 and ending December 31, 2012.

6. **Interest of Members, Officers, or Employees of the Planning Agency, Members of the Local Government, or Other Public Officials.** No member, officer, or employee of the Planning Agency or its agents; no member of the governing body of the locality in which the program is situated; and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The Planning Agency shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to



the purpose of this section.

7. **Nondiscrimination Clause.** No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination with any program or activity funded in whole or in part with funds available under the Housing and Community Development Act of 1974, Section 109.

8. **Age Discrimination Act of 1975, as amended.** No qualified person shall on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance **Section 504, Rehabilitation Act of 1973, as amended.** No qualified disabled person shall, on the basis of handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.

9. **Access to Records and Record Retainage.** All official project records and documents must be maintained during the operation of this project and for a period of three years following closeout, in compliance with 15 NCAC 13L Rule .0911, Recordkeeping. The NC Department of Economic and Community Development, US Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the Planning Agency which are pertinent to the execution of this Agreement, for the purpose of making audits, examinations, excerpts, and transcriptions in compliance with 15 NCAC 13L Rule .0911, Recordkeeping.

10. **Liquidated Damages Clause.** If the project fails to be carried out within the time frame outlined in the administrative proposal due to activities attributed to the Planning Agency, the Local Government may assess the Planning Agency a sum in the amount of \$100 per week for any subsequent weeks until completion.

11. **Termination of Agreement for Cause.** If, through any cause, the Planning Agency shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or violate any of the covenants, conditions, or stipulations of this Agreement, the Local Government shall thereupon have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared under this Agreement shall, at the option of the Local Government, become its property, and the Planning Agency shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials in direct proportion to the extent of services actually completed.

12. **Grantee Assurances.** In the performance of this Agreement, the Planning Agency shall comply with all applicable federal rules and procedures outlined on the attached pages as E.O. 11246 Clause, the Section 3 Clause and Lobbying clause (Attachments B, C and D).

IN WITNESS WHEREOF, the Planning Agency and the Local Government have executed this Agreement as of the date first above written.

LOCAL GOVERNMENT:  
CATAWBA COUNTY

PLANNING AGENCY:  
WESTERN PIEDMONT COUNCIL OF GOV'TS.

ORDINANCE NO. 2011-\_\_\_\_\_  
BUNKER HILL/OXFORD SCHOOLS  
NC CLEAN WATER BOND GRANT  
WASTE WATER PROJECT  
CAPITAL PROJECT ORDINANCE  
AMENDMENT to CAPITAL PROJECT ORDINANCE NO. 2002-08

Be it ordained by the Catawba County Board of Commissioners that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted.

Section 1. The project authorized is the Bunker Hill/Oxford Schools Area NC Clean Water Bond project to be financed by 1998 NC Clean Water Bond Funds.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the grant documents and the budget amendment contained herein.

Section 3. The following revenues are anticipated to be available to contribute to this project:

NC Clean Water Bond	\$ 1,600,000
Water & Sewer Reserve Fund	\$ 1,330,000

Section 4. The following amounts are appropriated for the project:

NC Clean Water Bond	\$ 2,930,000
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Section 5. The finance officer is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal and state regulations.

Section 6. Funds may be advanced from the Water and Sewer Reserve Fund for the purpose of making payments as due. Reimbursement request should be made to the grantor agency in an orderly and timely manner.

Section 7. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in each budget submission bade to this Board.

Section 8. Copies of this grant project ordinance shall be furnished to the Clerk to the Board of County Commissioners, and to the Budget Officer and the Finance Director for direction in carrying out this project.

Adopted this 2nd day of May 2011 upon motion of Commissioner \_\_\_\_\_ and seconded by Commissioner \_\_\_\_\_, and affirmative vote of the Catawba County Commissioners.

\_\_\_\_\_  
Katherine W. Barnes, Chair  
Catawba County Board of Commissioners

**COUNTY OF CATAWBA, NORTH CAROLINA**  
Resolution No. 2011 - \_\_\_\_\_

**A RESOLUTION TO RECEIVE ALTERNATE BIDS FOR FAIRBANKS-MORSE BRAND PUMPS**

**WHEREAS**, Catawba County has an agreement with the City of Conover to own, operate and maintain the wastewater pumping station service the Bunker Hill School Area; and

**WHEREAS**, the agreement between Catawba County and the City of Conover requires that all specifications for materials and installation of sewer lines be in accordance with the City's standard specifications and shall provide for an alternate bid requiring Fairbanks-Morse pumps as follows:

Number of Pumps	Two (2)
Type	Submersible, Centrifugal, Solids-handling Sewage Pumps
Capacity (duty Points)	186 GPM @ 70 Feet Total Dynamic Head
Impeller Diameter	4-Inches
Max. Sphere Passage	3-Inch Diameter
Motor	20-Horsepower, 208-Volts, 3-Phase, 60-Hertz

**WHEREAS**, the City of Conover feels there will be cost savings and improved function of the pumping system due to standardizing around Fairbanks-Morse brand pumps due to:

- Reduction in spare parts inventory
- Flexibility in providing spare pumps
- Improved responsiveness due to more familiarity with single manufacturer; and

**WHEREAS**, the City of Conover owns, operates and maintains a sewage wastewater system for the benefit of the citizens of the City;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners that the County receive alternate bid prices for Fairbanks-Morse brand pumps and select alternate equipment if deemed in the best interest of the County and the City of Conover.

Adopted this the 2<sup>nd</sup> day of May, 2011.

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Katherine W. Barnes, Chair  
Catawba County Board of Commissioners

2. Utilities and Engineering Director Barry Edwards presented a request for the Board to approve entering into an agreement between Catawba County and the Town of Maiden for revenue sharing on a Jim Beard Road-Robinette Road-Mockingbird Lane Water Project (also known as Cardinal Estates Subdivision Water Project); entering into an agreement between the County and Mr. Wendall McCaslin for cost-sharing on portions of the cost of construction; and a budget revision to the Water and Sewer Enterprise Fund in the amount of \$72,440, which includes construction and 10% contingency, engineering design, and construction administration and inspections.

Mr. Wendall McCaslin, owner and developer of a community well in this area, approached the Town of Maiden and Catawba County concerning the extension of municipal water to Robinette Road and Mockingbird Lane, off Jim Beard Road. The current water system is failing, in need of major repair, and the water source has high iron content. The existing community well users have been living with inadequate potable water for some time. Bruce Vaughan of the North Carolina Utilities Commission contacted the County about assistance in eliminating the problem for those citizens. There are twenty potential customers/properties that will be served by this project, of which eight will be served immediately through the proposed contract with Mr. McCaslin. The payback period is estimated to be approximately nine years.

The project will consist of approximately 1,700 linear feet of varying sizes of water lines, valves, hydrants, and related appurtenances, extending from an existing County/Town of Maiden water line on East Maiden Road, approximately 1.5 miles outside of the Maiden Town limits, along Jim Beard Road, then along Robinette Road and Mockingbird Lane.

The project is being developed in cooperation with the Town of Maiden under County Code Chapter 42, Revenue Sharing Program. Mr. McCaslin has agreed to pay the County 50% of the cost of construction of a 6-inch water line along the Jim Beard Road portion of the project and 50% of the cost of construction along Robinette Road and Mockingbird Lane to the end of NCDOT maintenance; 100% of the water capital fees for the eight existing community well customers in the subdivision, at a cost of \$500 per connection, and 50% of any change orders needed for the completion of the project. The County is paying the cost to upsize this line to a 12-inch, in preparation for future waterline expansion along the length of Jim Beard Road. Mr. McCaslin will pay the County his portion of all fees and project costs, including applicable County Water Capital Fees, prior to the awarding of the construction contract. In addition, Mr. McCaslin desires that 475 linear feet of 2-inch waterline be installed beyond the end of the NCDOT maintained roadway to provide future water service to the undeveloped portions of Mockingbird Lane, and has agreed to pay 100% of the cost of construction. This portion is estimated to be \$5640.

A budget revision is needed to approve the project and appropriate funding. The project cost is estimated at \$72,440, which includes construction plus 10% contingency, engineering design costs, and construction administration and inspections. The engineering design firm of Davis and Floyd of Hickory will provide engineering services for this project.

Vice-Chair Lail clarified that the County would be paying the cost to upsize the line along Jim Beard Road for a future waterline expansion and Commissioner Isenhower confirmed that the contract with Mr. McCaslin ensured he would be required to pay all the connection fees outlined above. Commissioner Lail made a motion to enter into an agreement between Catawba County and the Town of Maiden for revenue sharing on a Jim Beard Road-Robinette Road-Mockingbird Lane Water Project (also known as Cardinal Estates Subdivision Water Project); enter into an agreement between the County and Mr. Wendall McCaslin for cost-sharing on portions of the cost of construction; and approve a budget revision to the Water and Sewer Enterprise Fund in the amount of \$72,440, which includes construction and 10% contingency, engineering design, and construction administration and inspections. The motion carried unanimously. The following documents apply:

STATE OF NORTH CAROLINA

CATAWBA COUNTY

AGREEMENT BETWEEN CATAWBA  
COUNTY AND THE TOWN OF  
MAIDEN FOR REVENUE SHARING -  
CARDINAL ESTATES SUBDIVISION  
WATERLINE PROJECT

**THIS AGREEMENT** made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by and between **CATAWBA COUNTY**, a political subdivision of the State of North Carolina, (hereinafter "County") and the **TOWN OF MAIDEN**, a body politic of Catawba County, North Carolina, (hereinafter "Town").

WITNESSETH:

**WHEREAS**, the County has adopted into its Catawba County Code, Chapter 42, entitled "WATER AND SEWER", including specifically Article IV, Division II, the "REVENUE SHARING PROGRAM", and

**WHEREAS**, County and Town have agreed to enter into a Revenue Sharing Agreement for the purpose of funding a WATERLINE extension project to serve CARDINAL ESTATES SUBDIVISION, (hereinafter "Project"); and

**WHEREAS**, County and Town agree to cooperate on the Project in order to provide extensions and connections to an area previously unserved by a municipal water system; and

**WHEREAS**, to satisfy that need, County will install a series of WATERLINES; described herein as Cardinal Estates Water system and shown in Attachment A included herein, AND GENERALLY BEING:

Approximately 1,600 linear feet of 6-inch and 170 linear feet of 12-inch waterlines, valves, hydrants, service connections and automated flush devices; and

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. County and Town agree to proceed with the construction and operation of a waterline extension from the existing waterline located on East Maiden Road to serve the Cardinal Estates Subdivision located on Jim Beard Road, same being herein referred to as "Project", "Waterlines", and such other language clearly meaning the Project.
2. County shall design and develop the Project, and shall secure all necessary rights-of-way, permits and permission from all persons, firms, corporations and other owners for construction of the Project. Further, County shall assume responsibility for the completion of the Project. The Application for Approval of Engineering Plans and Specifications for Water Supply Systems, to be submitted to the Public Water Section of NCDENR, shall be in the name of Town. Any NCDOT encroachments required to complete the Project shall be in the name of the Town.
3. County and Town agree the approximate cost of the Project including design, legal fees, rights-of-way, permitting fees and line placement is approximately \$66,837.00. County shall fund the total cost of the Project.
4. Town, at its option shall have the right to add to, connect to or extend the water lines within its corporate limits, with no participation from County. Furthermore, Town shall have the right to upgrade the quality or increase size of the Project waterlines and/or related facilities at its own discretion and at its own expense.
5. County, at its option and with Town approval shall have the right to install future line additions, extensions or connections from any water line(s) installed and operated as part of the Project, provided any such addition, extension or connection will serve county customers and not customers inside Town's corporate limits and adequate capacity is available.
6. If Town, upon its own initiative, proposes to County to make an addition, extension or connection to Project lines, County shall within ninety (90) days notify Town of its intention to participate in the addition, extension or connection. If County opts to participate in the addition, extension or connection, the operation and maintenance of the line, along with the disbursement of revenue, will be governed by this Agreement.
7. If County opts not to participate in any addition, extension or connection, Town retains the right to proceed without any participation from County.
8. Town will operate and maintain Project lines and connections as customary to all Town lines and connections. The connection fee for tap stub outs installed with the initial construction of the Project shall be those in effect for the Town at that time. Connection fees for connections made after initial construction of the Project shall be those in effect for the Town as amended from time to time by the Town Council.
9. The County Capital fee for connection tap stub outs installed with the initial construction of the Project shall be those in effect for the County at that time. County Capital fees for connections made after initial construction of the Project shall be those in effect for the County as adopted from time to time by the County.

10. All specifications for materials and installation of all lines and systems in the Project shall be in accordance with Town's standard specifications for water line installations. All designs, developments, plans, engineering and construction shall be subject to review and consent by both parties. The parties will not suggest or make unreasonable changes in the designs, developments, and plans for the Project.

11. County agrees that all customers of this System shall be subject to policies, practices, ordinances and directives of the Town in operation of the System. This includes but is not limited to: Water Conservation Ordinances, Rate Reviews, Irrigation Meter Policy, Backflow Prevention Policy, etc.

12. Town will pay to County, on a quarterly basis, one-half the monthly revenue from water availability, customer service, and water consumption charges generated by the Project's water lines. The first payment shall be due one year from the date of the execution of this Agreement.

13. Revenue sharing will continue for Forty (40) years on the lines that remain outside the town's corporate area. If Town annexes some portion of the area served by Project water lines, the Town shall purchase the lines at the time of such annexation at a purchase price based on the percentage of County funding of the annexed portion of the Project and upon the following depreciation schedule: (a) for the initial seven (7) year period following installation of the lines, no (0) depreciation shall occur; (b) for the next thirty-two (32) year period, the lines shall depreciate at the rate of three percent (3%) per year; and (c) for the final one (1) year period, the lines shall depreciate at the rate of four percent (4%).

14. At the end of the forty (40) year term after the execution of this Agreement, for any lines that have not yet been annexed by Town, the parties shall enter into good faith negotiations to reach an agreement for an additional forty (40) year period to begin at the end of the forty (40) year term of this initial Agreement.

15. Time is of the essence. If within two (2) years of the execution of this Agreement by the Catawba County Board of Commissioners, the County has not begun construction, the contract will be void.

**IN WITNESS WHEREOF**, both parties have hereunto set their hands on the day and year above first written.

CATAWBA COUNTY BOARD OF COMMISSIONERS

By: \_\_\_\_\_  
Katherine W. Barnes, Chair

#### **AGREEMENT**

**AGREEMENT**, made this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by and between Catawba County (hereinafter "County") and Wendell McCaslin (hereinafter "Developer"), and

**WHEREAS**, Cardinal Estates is a housing subdivision located in Catawba County which is partially developed with the remaining undeveloped lots being owned by Developer; and

**WHEREAS**, the developed lots in Cardinal Estates are currently receiving water from either a community well system, which is own and operated by Developer, or private wells. There are currently 8 users of the community well system which has been experiencing operational and water quality issues.

**WHEREAS**, Developer desires County install necessary infrastructure to allow for the provision of municipal water service to Cardinal Estates.

**WHEREAS**, in accordance with previous similar projects, County will install municipal water service to new and/or undeveloped subdivisions so long as the developer agrees to pay fifty percent (50%) of the cost of construction. In addition, County does not install utility lines along roadways that are not maintained by the North Carolina Department of Transportation (hereinafter "NC-DOT").

**IN CONSIDERATION OF** the covenants and agreements herein contained, County and Developer agree as follows:

1. That County will install approximately 1,613 linear feet of water line, fittings, fire hydrants and customary appurtenances in order to extend water service to the existing community well customers in Cardinal Estates (hereinafter "Project"). The Project includes approximately 590 linear feet of 12" water line along Jim Beard Road, 975 linear feet of 6" water line into Cardinal Estates ending at the first fire hydrant as required by County Code, and 48 linear feet of 2 " water line from the final fire hydrant to the end of NC-DOT maintained roadway.
2. That the estimated cost of the project is \$57,911.00, which includes the cost of construction but does not include engineering services or County capital fees. The estimated cost of construction includes the 12" water line along Jim Beard Road even though Developer's needs should be met by installation of only a 6" water line. However, it is in the County's best interest to install the 12" water line along Jim Beard Road to allow for future service to citizens living beyond Cardinal Estates. Therefore, as to the portion of the Project along Jim Beard Road, Developer shall only be responsible for fifty percent (50%) of the cost of construction of a 6" in water line.
3. That based upon the costs identified in paragraph 2 above and the County capital fees of \$4,000.00, Developer's total costs are estimated to be \$30,553.00. However, Developer understands that once bids are unsealed, the lowest responsible bidder could be in excess of \$57,911.00. That in addition, there could be change orders that are needed prior to the completion of the project. Developer agrees to pay for half the project costs, including change orders. Developer shall pay County half of the lowest responsible bid price sometime after bids are opened but prior to any bid being awarded.
4. That Developer desires, in addition to the Project identified above, 475 linear feet of 2" waterline to be installed beyond the end of the NC-DOT maintained roadway to provide future water service to the undeveloped portions of Cardinal Estates. Developer agrees that, even though installation of the additional 475 linear feet of 2" waterline will be bid as part of the Project, Developer shall be solely responsible for the costs associated with said installation. Developer understands that the estimated cost of extending the additional 475 linear feet of 2" waterline to the end of the subdivision is \$5,640.00 and is in addition to his portion of the Project costs outlined in above in paragraph 3.
5. That no new roads are being created as part of this proposed extension and all waterlines being partially funded by County are along existing NC-DOT maintained roads.
6. That any resident of Catawba County will have the right to connect said waterline upon payment of the then current connection fee and subject to the same rights as all other customers similarly situated within the projected Maiden/Catawba County Water Service Area.

7. That all records, contracts, documents and other materials related to the construction, installation or service of the Project, shall be made available, upon request, to either party.
8. That it is understood and agreed that County and/or the Town of Maiden shall have the right of ingress and egress to construct, install and maintain said water line in perpetuity.

**IN WITNESS WHEREOF**, the parties hereto have set their hands on the day and year above first written.

Catawba County

Property Owner

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Agent for Catawba County

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Property Owner

c. Utilities and Engineering Director Barry Edwards presented a request for the Board to award a bid to Hamlett Associates, Inc. of Climax, North Carolina, in the amount of \$775,786, for the construction of a Crop Processing Facility at the County's Biodiesel Research Facility; approve a contract for administration and construction observation with McGill Associates, PA in the amount of \$55,000, and approve a budget revision, using Solid Waste Post Closure Reserve funds, in the amount of \$830,790.

The Catawba County EcoComplex is focused on making and using sustainable "green" energy and economic development in the county. It is the goal of the EcoComplex to develop a system that will recover all useable products and by-products from a close-knit group of private and public partners located in a defined area. The group of partners will work together to use each other's waste products either as a source of energy (electricity, steam, or heat) or as a raw material in the production of their own product (pallets, lumber, compost).

The existing EcoComplex components/partners include a Biodiesel Research and Production Facility and will include a Crop Processing Facility, which will clean, dry, store and crush harvested seed crop. The County has a lease agreement with Appalachian State University for the Biodiesel Research and Production Facility, with a primary purpose of operating a Biodiesel Testing Lab that will assist Catawba County in producing biodiesel fuel from crops grown at the EcoComplex, assist emerging biodiesel producers in Western North Carolina in assessing the quality of their fuels derived from varying feedstock, and provide biodiesel fuel to the County's Landfill operational fleet. The agreement with Appalachian State University provides the County with annual revenue of \$127,994. The County's annual expenses for the crop processing operations will be approximately \$45,000, providing a net annual income of \$82,994, which equates to a 20 year payback period to the landfill post closure reserve funds. Catawba County and Appalachian State University have received grant funds from the North Carolina Biofuels Center for processing equipment in the Crop Processing Facility in the amounts of \$150,000 and \$129,000, respectively.

Bids for the Crop Processing Facility were publicly opened on March 15, 2011. Three bids were received from 1) Hamlett Associates, Inc., \$775,786; 2) Amber Contracting Co., Inc., \$787,900; and 3) Eagle Wood, Inc., \$873,435.23. McGill Associates has reviewed the bids for accuracy and completeness, and recommends Hamlett Associates, Inc. of Climax, North Carolina. Hamlett Associates submitted the lowest total bid in the amount of \$775,786 and McGill Associates has verified that Hamlett Associates is properly licensed to perform the work.

Staff recommended the bid for construction of the Crop Processing Facility be awarded to Hamlett Associates, Inc. McGill Associates has agreed to provide construction administration and observation for the facility in the amount of \$55,000, which is approximately 7% of the cost of construction. McGill Associates is the design engineer for the Crop Processing Facility and, therefore, is most familiar with the design and construction. A budget revision is required, using



Solid Waste Post Closure Reserves in the amount of \$830,790. All costs associated with the Biodiesel Research and Crop Processing Facility are funded from the Solid Waste Enterprise Fund, which contains no ad valorem tax proceeds.

Commissioner Isenhower stated the Crop Processing Facility had merit but he was concerned about the payback to the County and would vote against proceeding with the project. Chair Barnes stated that she believed that the facility fit with all the other efforts at the landfill and believed that it was a good economic development tool. Vice-Chair Lail stated she agreed with Chair Barnes. Vice-Chair Lail made a motion to award a bid to Hamlett Associates, Inc. of Climax, North Carolina, in the amount of \$775,786, for the construction of a Crop Processing Facility at the County's Biodiesel Research Facility; approve a contract for administration and construction observation with McGill Associates, PA in the amount of \$55,000, and approve a budget revision, using Solid Waste Post Closure Reserve funds, in the amount of \$830,790. Chair Barnes, Vice-Chair Lail and Commissioner Hunsucker voted in favor of the motion; Commissioner Isenhower voted against the motion. The motion carried.

11. Other Items of Business: None.
12. Attorney's Report: None.
13. Manager's Report: None.
14. Adjournment: Chair Barnes reviewed the Board's calendar for May: The Board of Commissioners will hold its regularly scheduled meeting on Monday, May 16, 2011 at 7:00 p.m. and Budget Hearings with Departments on Tuesday, May 31, 2011 from 8:00 to 5:00 p.m. The Budget Public Hearing and Wrap Up will take place on Thursday, June 2, 2011 at 7:00 p.m. The meeting adjourned at 11:08 a.m.

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Katherine W. Barnes, Chair  
Catawba County Board of Commissioners

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Barbara E. Morris  
County Clerk